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State Representative • 3rd District

Timm Ormsby

**2010
Session Report**

Spring 2010

Dear Friends and Neighbors,

I think most every state lawmaker would have to say this was a difficult session. Revenues are down, demand for government services is on the rise, and that's a tough combination.

I'd also say that I and plenty of my colleagues feel it was a disappointing session, as well. Many important ideas and projects were sidetracked, postponed or completely ignored because of budget considerations, lack of will, or both.

To avoid confusion, let me say I'm both relieved and somewhat surprised that we were able to avoid the complete devastation to our quality of life that an all-cuts budget would have caused. For a while, that seemed like a real possibility.

But to say it's not as bad as it could have been . . . well, I have to respond that it's not nearly as *good* as it could have been, and *should* have been. I'll go into this in more detail inside this newsletter.

I want to end this introduction on a positive note, so let me point to one of the big victories of the session: passage of the JOBS Act of 2010. This smart bill creates 30,000 good jobs statewide, mostly in the hard-hit construction field. It will allow our students to go to school in energy-efficient, cost-efficient, healthy school buildings. And it will save taxpayers \$150 million a year in energy bills for schools.

This was a hard-fought legislative battle, and the voters of the state will have the final say in November, when you're asked to approve the sale of bonds to provide the capital. Because it's a ballot measure, I can't go overboard playing rah-rah here, but I can tell you that I co-sponsored the JOBS Act, I fought for it, and I'm very pleased it passed. I only wish that many other good bills had also been so fortunate.

This will be my only newsletter between now and next January. Election-year restrictions tightly control the number and types of activities that legislators can undertake if they involve state-owned resources, and that makes sense to me. However, I'm free at any time of year to respond to your inquiries or help you in your dealings with the government, so please, keep in touch. I'm Timm Ormsby, I'm honored to work for you, and I look forward to hearing from you.

Sincerely,

Timm Ormsby
Timm Ormsby

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...but not a drop to drink
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- In case you hadn't heard

Rep. Timm Ormsby • 3rd District

Water, water, everywhere...

Most everyone is in agreement that the less nasty stuff we put into our water supply, the better off we'll be. The difficulty arises when we try to talk about actually doing something about all the nasty stuff we put into our water.

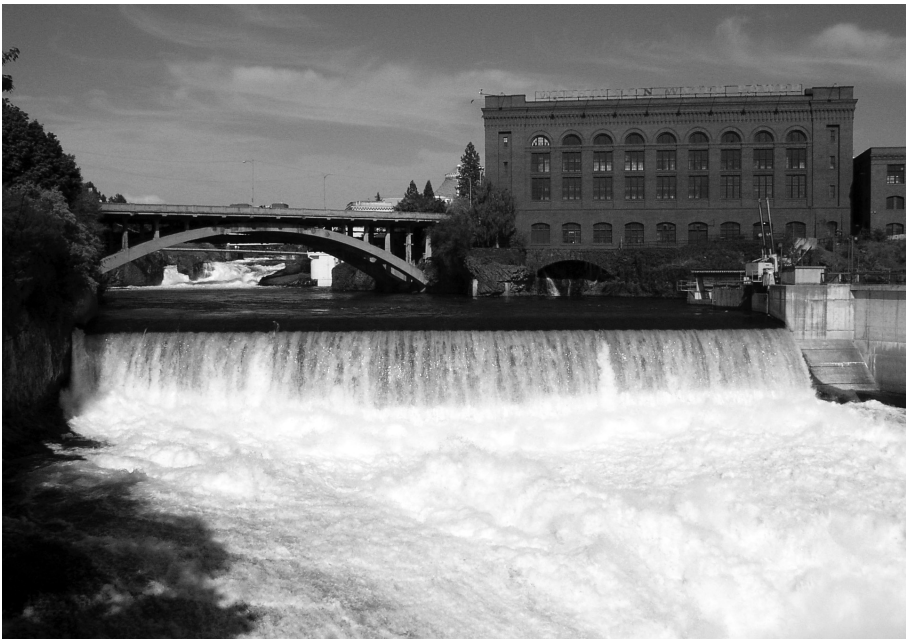
This hit home for me when my efforts to lower the amount of phosphates in fertilizers stalled in the House this session. Phosphates that enter our lakes and streams cause excessive plant growth – after all, they ARE fertilizers – especially algae bloom. The problem isn't that algae exists; it's a naturally occurring organism that has some benefits, like many other aquatic plants. But when we throw things out of balance by inadvertently stimulating one thing or another, we inevitably cause problems.

My phosphates bill won't spell the end of luxurious lawns, or thriving farm crops. It doesn't ban phosphates in fertilizer altogether. It's an attempt to restore badly needed balance, and I'll introduce it again next year. I'm reminded that very few bills become law their first time around. Patience is a virtue, especially in the state Legislature.

directly into our lakes and streams, or into our storm drains (which empty into our lakes and streams). The bulk of these toxins are petrochemicals, and as local taxpayers, we pay millions upon millions of dollars to make that water once again clean enough for human use.

Washington's citizens recognized this decades ago, when they passed an initiative imposing a hazardous-substance tax of .7 percent on the market value of oil and other potential toxins. This tax was imposed on what in legal terms is called "the first in-state possessor": a refinery, a wholesaler, a distributor. Their thinking was that a large percentage of those substances would eventually wind up in Washington waters.

That small tax – seven cents out of \$10 – went into a dedicated account that local governments draw from to help defray the costs of purifying their polluted waters. Over the years our population has grown, our use of petrochemicals and other toxics has skyrocketed, and we've paved tens of thousands of additional acres to become coated with poisonous slime . . . but the amount of the tax has stayed the same. Local taxpayers have been shouldering a heavier and heavier load as a result.



...not a drop to drink

This Legislature talked quite a bit about water in 2010. It didn't do much, but it talked. Unfortunately, the endless talking delayed passage of my Clean Water Act of 2010.

Background: When rain falls on our streets, yards, driveways and parking lots, it collects the toxic substances that are so prevalent in and on those surfaces. It has to run off somewhere:

The Clean Water Act would have increased this citizen-created pollution tax by a tiny fraction of a percent, ultimately bringing the hazardous-substance tax to .85 percent, or eight and a half cents out of \$10. In Olympia, we heard all the usual horror stories about lost jobs and closed oil refineries and increased gas prices if this common-sense increase took place. Like most horror stories, they contained very little truth, but they were enough to put a scare into some folks.

Oil will remain the most profitable industry on the face of the earth for decades to come, and there will always be plenty of money to be made from the other commodities covered under the Clean Water Act. No productive employee is going to lose his or her job because of a negligible increase in the hazardous-substance tax. And the amounts we pay for gas will still fluctuate by as much as 16 cents a gallon from day to day for no discernible reason, just like they do now.

But our cities and counties – the ones we support with our local taxes – wouldn't have to nick you quite so hard in order to clean up the mess and make sure the water you drink and cook with and bathe in is clean, once again. Stay tuned for the Clean Water Act of 2011.

2010 Session Report

Fair is Fair

Washington spends many millions of tax dollars on construction projects – billions, in a good biennium. Most of it is spent right here at home. Washington citizens do the work, the money goes into Washington citizens' pockets, and then it flows back into our economy, raising every boat it comes into contact with.

But not every phase of construction is necessarily done here in Washington. Let's say I'm a contractor and I just won a big job, maybe building a new bridge. That's going to call for plenty of pillars to hold it up safely. If I know that Washington workers are guaranteed a fair wage . . . but I also know that I can use a subcontractor to make those pillars over in another state, where I can get away with paying lower wages . . . I might just throw the job, and the tax dollars, across the state line. The state's still paying me what I bid, but now I'm low-balling the labor costs, taking a job away from a Washington worker, and increasing my profits.



There's nothing wrong with profits. And it would be difficult to write a law saying every dime that Washington state spends has to be spent inside the state. Sometimes it's absolutely necessary to head out of state because the prefabricated item we need just isn't made here, period.

But in the interest of protecting Washington workers and Washington jobs and Washington taxpayers, we certainly ought to know exactly how much of our money leaves the state for these purposes. And we need to know whether working condi-

tions and pay scales that meet Washington values are being observed. Right now, we don't know. We just don't have that information.

But we will. I sponsored legislation this session that begins this process, and Governor Gregoire signed it into law in April. At a time when state government and many Washington citizens are having to dig through the sofa cushions to find spare change, questions that might not have seemed relevant just a few years ago take on new importance. Now we'll have some answers.

Jobs

I'm proud to have been a sponsor of the first bill passed out of the House this year: the JOBS Act of 2010, which I mentioned on page one. And after an entire session spent trying to move it through the Senate, I'm grateful that the JOBS Act was also the last bill we passed – again. Jobs are our top priority, especially in a recession. The JOBS Act is designed to create 30,000 good

construction jobs all over the state, but it's not the only thing we did to put men and women back to work. The Legislature also...

- Funded rural county investment projects to bring jobs to areas suffering high unemployment. **Jobs Created: 394**
- Through the Washington Works Housing Act, invested a billion dollars in an innovative new program to build affordable housing so workers can find a home near their job. **Jobs Created: 8,000**
- Provided incentives for construction of the next generation of data centers, creating good jobs in economically challenged areas – especially here in eastern Washington, where we have

available land, affordable hydropower and plenty of willing workers. **Jobs Created: 3,000**

- Invested in road and transit projects that will create 3,000 construction jobs across the state. **Jobs Created: 3,000**
- Provided tax relief to the aluminum industry through 2017. **Jobs Created: 500**
- Helped local governments finance infrastructure improvements in Spokane and many other communities throughout the state. **Jobs Created: 13,000**

Rep. Timm Ormsby • 3rd District

A word about the budget, and taxes

Since the beginning of the worldwide recession in 2008, Washington state revenues have fallen by nearly \$12 billion – more than a third of the biennial operating budget. That's the budget that pays for education, health care, public safety, protection for abused kids, environmental clean-up – things that help keep Washington a good place to live, work and raise our families.

We've managed to close that gap by, first of all, cutting many billions of dollars out of the budget altogether, far too many billions in my opinion. We were also able to access some federal stimulus funds. We transferred some money from other state accounts into the operating budget. And then finally – more than a year after some 30 other hard-hit states had recognized the need for more revenues and raised their taxes accordingly – we screwed up the courage to raise less than \$800 million in various taxes. \$12 billion in lost revenues vs. just \$800 million in taxes. I'd say that takes the air out of the standard line about the majority party being tax-happy, doesn't it?

The fact is, I have been, and I continue to be, an unapologetic advocate for raising more revenue than we did this year. I voted for the modest taxes that were finally before us, but I'm not happy with many of the taxes in that bill, and I'm not happy with the process that created it. Small as they are, for example, I don't like the beer tax or the soda tax.

Why? Because once again we're turning to things that low- and moderate-income folks use as a simple enjoyment for themselves and their families to cope with the reality of living a paycheck away from poverty. And what is especially distressing to me is the fact that we had the opportunity to put reasonable taxes on the entities largely responsible for today's economic problems – out of state banks and financial institutions – but we didn't.

Fortunately, the beer and pop taxes, along with some others, are temporary and will expire in a few years. But the need for revenue is not temporary, particularly as Washington's population grows and demand for public services increases. I'm going to continue to advocate for sensible solutions, one of which is to stop giving a free ride to those who suck billions out of our economy and don't need, or deserve, the breaks we so freely give them.

In case you hadn't heard

A parting piece of good news: Thanks largely to our U.S. Senator Patty Murray, the North Spokane Corridor project got a \$35 million federal grant to move it toward completion. We're one of just 51 transportation projects around the country to receive a TIGER (Transportation Investment Generating Economic Recovery) grant. Not bad. We'll use the money to build a pair of southbound lanes from Francis Avenue to US 395, finishing up nearly four miles of the long-awaited freeway.

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State Representative

Session Report

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